

Postal Regulatory Commission

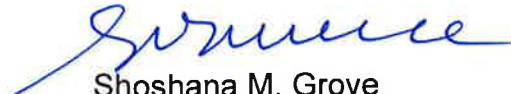
Washington, D.C. 20268-0001

NOTICE OF FILING UNDER 39 U.S.C. § 404(d)

TO THE UNITED STATES POSTAL SERVICE:

Please take notice that the Commission received a petition for review of the Postal Service's determination to close the Hanlontown post office in Hanlontown, Iowa. The petition for review received January 13, 2012, was filed by Rick Scholbrock, Mayor of the City of Hanlontown and is postmarked January 4, 2012.

This notice is advisory only and is being furnished so that the Postal Service may begin assembling the administrative record in advance of any formal appeal proceedings held upon the alleged (closing/consolidation) for transmittal pursuant to 39 CFR § 3001.113(a) (requiring the filing of the record within 15 days of the filing with the Commission of a petition for review). The Postal Service's administrative record is due no later than January 30, 2012.



Shoshana M. Grove
Secretary

Date: January 19, 2012

Attachment

Postal Regulatory Commission
Office of the Chairman
JAN 9 2012

CITY OF Hanlontown
P. O. BOX 5
Hanlontown, IA 50444

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A2012-118
RECEIVED

POSTAL REGULATORY
COMMISSION
OFFICE OF THE SECRETARY

January 4, 2012

Ruth Y. Goldway, Chairman Postal Regulatory Commission
901 New York Avenue N.W.,
Suite 200 Washington, D.C. 20268-0001

Dear Chairman Goldway:

The United States Postal Service has issued a final determination to close the Hanlontown Iowa post office, Docket Number 1366143-50444 and provide delivery and retail services by rural route service under the administrative responsibility of the Fertile, Iowa post office. The posting date of the final determination to close the Hanlontown, Iowa Post Office is December 22, 2011.

On behalf of the City of Hanlontown City Council, the residents of the City of Hanlontown, and the customers of the Hanlontown, Iowa Post Office, this letter serves as an appeal of this "determination to close."

Our appeal is based on the following:

THE USPS HAS EXHIBITED UNPROFESSIONAL CONDUCT THROUGHOUT THIS PROCESS.

At our initial community meeting in May, 2011 conducted by Thomas Allen, citizens, business owners and post office customers were met with extreme sarcasm and rude behavior from Mr. Allen. At one point, there was a discussion of problems with mail delayed by time constraints of the rural carrier. Mr. Allen told us that this could not be the case because it "wasn't allowed", and that they would have a record of that. The person who was the retired postmaster of our community post office contradicted him, and told him that this does happen. Mr. Allen essentially said that person was not being truthful. The PO-101 Handbook states that the employees conducting the community meeting "must also possess ... "highly developed human relations and communications skills." This type of response from a high ranking postal official is arrogant, derogatory, and clearly falls short of this requirement.

Mr. Allen seemed to be striving to convince residents that it would do no good to fight this. This type of presentation severely hampered the community response. Had Mr. Allen acted in a more professional manner, the customers of the Hanlontown Post Office would have felt that they could ask more questions and that providing more comments regarding the discontinuance would have an effect on the outcome. Throughout the meeting both representatives of the post office kept saying "when" the post office is closed, not "if".

Also the post office has tied the hands of the employees who work in the local post offices, not allowing them to share any information with the concerned patrons. Not only does this take away the rights of a local citizen (our OIC lives in town), but it ties the hands of any protests that

could actually address the cost savings specifically. Shouldn't this information be public knowledge? Shouldn't an employee be able to participate in the protest against a closing?

THE POSTAL SERVICE'S DECISION TO PROVIDE DELIVERY AND RETAIL SERVICES UNDER THE ADMINISTRATIVE RESPONSIBILITY OF THE HANLONTOWN, IOWA POST OFFICE IS CONTRARY TO THE FEDERAL POSTAL CODE SERVICE REQUIREMENT.

The Fertile post office actually has lobby hours that end earlier in the day compared to the current hours of the Hanlontown post office. This will certainly present a hardship for those who work outside of our area and will leave for work before the post office opens, and closes before they return home.

FALSE ECONOMIC SAVINGS DATA IS USED TO SUPPORT THE DISCONTINUANCE DECISION.

Under the Economic Savings section of the "determination to close", the Postal Service factors in salary and benefits of a Postmaster to this facility, instead of the same expense of a working OIC. The OIC does not receive any benefits above her salary, and so the expenses "saved" is greatly inflated! This office has not had a Postmaster since 2008 so this unfairly inflates the expenses and economic savings to the Postal Service. (See section below on Justification for Discontinuance)

Waiting at a curbside mailbox to conduct postal business when the rural carrier arrives, as the proposal suggests, can not under any circumstances be considered the maximum degree of regular and effective service. There will undoubtedly be inefficiencies in purchasing stamps and money orders, as well as sending time sensitive mail such as certified letters, registered letters, city water lab samples, and COD's.

Also, the additional time that would be added to the rural route carrier for delivery without a post office, as well as additional "face time" with rural route customers because of the lack of a facility in Hanlontown will be factors in adding post office expenses, resulting in additional expense to the rural route carrier cost factor.

It is easy to see how the additional responsibilities that will be assigned to the rural carrier will eliminate most of the "efficiencies" the post office claims they will achieve by the closing of our post office.

THE USPS HAS FAILED TO RECOGNIZE THE NEGATIVE EFFECT ON THE COMMUNITY.

The Hanlontown Post Office is one of the three required public notice posting places established by ordinance for the City of Hanlontown. Removal of this office and its public bulletin board leaves the city without a third common gathering place to post public meeting notices as well as city council minutes, which we are required to do by law.

It is not unusual for post office box holders in our city to delay picking up their mail for several days. If, in these instances, the customer receives a package delivery, and it is put in the locked package box in the cluster box setup, this customer now has the key to that box, and further delivery of boxes will be delayed. This may result in very late delivery of important items such as medicines to our elderly residents.

Also, Hanlontown has a large number of elderly residents who are unable to travel to Fertile or Forest City. This places an unfair burden on senior citizens and does not provide them with the maximum degree of regular and effective service that they were given by Congress.

LOST POST OFFICE BUSINESS:

We have three large businesses in Hanlontown: Five Star Coop, POET Biofuels, and Mobility RV Parts and Service. Businesses need to receive mail early in the day and also need postal services near the end of the business day. Sending an employee several miles to some other community in mid-afternoon is a costly detriment to any business at a time when we need to be encouraging any businesses

One business (Mobility RV) currently ships world-wide. They have been shipping via the post office, but are seriously considering the shift their shipping operation to UPS or FedEx because they need to be able to ship late in the day. At the present time Mobility comes to the post office twice a day to receive and send items. With a rural carrier, this will be impossible to achieve. The Forest City post office is 15 miles away, and the Fertile Post office closes too early for their needs. This means that this particular business would either have to discontinue a shipping cycle for their business, essentially shortening their business day response to its customers. Their option will be to use Fed Ex or UPS as their shipping agent.

Additionally the City of Hanlontown mails out utility bills monthly to its residents and if the post office no longer exists in Hanlontown, the city will make every effort to send bills to residents via email. Otherwise, our entire billing structure would have to change in order to meet the requirements of our city's ordinance governing the delivery of water bills.

We also have home-based businesses/ employees that rely on the post office to provide a post office box number to give to their customer base, rather than a physical address. One home-worker must also have the contents of their PO Box stamped for verification purposes. This will result in more time required by the Forest City postal staff.

THE USPS HAS FAILED TO FOLLOW THE USPS HANDBOOK PO-101. PO-101 SECTION 222, PROPOSAL INVESTIGATION:

This post office rule states a requirement that postal officials "meet with civic leaders, such as the Mayor and local business managers. Working with the Facilities Service Office, look for potential alternate quarters and community Post Office (CPO) sites. Inquire into community interest and availability of quarters for contracting a CPO. These meetings never took place. The council has discussed modifying the community center to replace the current physical location and the expense of maintaining a post office. The city would like the opportunity to work with the Postal Service to achieve this alternative. Since our community center is already insured, heated, and sidewalks cleared of snow daily, there would be NO EXPENSE TO THE POST OFFICE for the brick and mortar portion of postal services in Hanlontown.

There are no retail businesses in Hanlontown for establishment of a Village Post Office concept. But we have made inquiries into the process for establishing a Village Post Office in our community center and have not had any response. Additionally, we feel, if necessary, we may be able to work with a business that currently is just outside of the city limits and currently uses the Hanlontown Post office to mail many packages worldwide.

JUSTIFICATION FOR DISCONTINUANCE:

An example of justification included in the post office's communication to the city of Hanlontown includes the following: "The postmaster position is vacant. Service needs in the community have declined and the recommended alternate service would provide as good or better service to the community. (Include documentation in the official record to support such statements.)"

No such documentation exists in the official record that would support a claim that our replacement service will be as good, as or better than the current service to the community.

As a matter of fact, according to the published study materials that were placed in the post office prior to notification of closure, we see that the postal traffic in our post office increased from 2008 to 2010. The post office's own documentation does not support the proposition that the post office's business has declined. The post office business traffic is growing. The postal service has also not moved to have not replaced our postmaster. (We find that the post office functions very well with an Officer in Charge.)

Hanlontown has a large number of elderly residents who are unable to travel to Fertile or Forest City. This places an unfair burden on senior citizens when no public transportation is available and does not provide them with the maximum degree of regular and effective service that they were given by Congress.

At a recent meeting with Iowa Governor Terry Branstad, several Iowa mayors and community leaders, and USPS officials, it was stated by postal officials that the offering of reduced utility bills or a reduction in office hours would not be considered because the problem is with the labor costs, not bricks and mortar, etc.

Labor savings from closing the Hanlontown office is estimated to be \$33,169 plus \$11,111 in benefits annually. These numbers are for a postmaster. Additionally the post office's own conclusions estimate that the added RR carrier costs would be \$12,361. Closing the office should be based on the wages from the OIC (she does not receive any benefits) and the additional cost for the rural carrier. Additionally, the question in our minds is how much income/ overtime will have to be added to the Fertile Post office to handle the number of customer interactions that will necessarily increase because of taking the Hanlontown Post Office customers and the extra time needed to complete the sorting of the additional Hanlontown mail.

We are certain that the savings are skewed with incorrect information to bolster the false case that the post office officials have built to justify closing our post office.

The savings would be much less if accurate current salary figures are used. How much actual savings will be achieved, while sacrificing critical services to residents and businesses in town in the process.

Since we were not able to obtain the actual figures from the post office officials, and the queries to the Freedom of Information act did not result in any information being provided, we feel that we could not be 100% specific about the numbers. And the postal service would not allow our local officer in charge to provide these numbers to us. But when you take into consideration the fact that Hanlontown can provide the post office relief with the brick and mortar expenses, and the projected shift of employee expenses to the rural carrier and the additional expenses to

provide adequate service in the Fertile Post Office, and the savings does not justify the closing of our post office.

Additionally because the OIC was not allowed to point out to the postal patrons the fact that the proposal to close the post office was available in the post office, the numbers of responders to that document was smaller than the number of persons actually interested in the process.

The final determination document noted that there were 400 questionnaires sent to patrons as a follow up to the process. Please take note that this was a double mailing because the first letter listed Fertile City Post Office as a replacement for our post office, but then a second mailing was sent listing the Fertile Post Office as the replacement. When the second questionnaire came out, many patrons did not fill it out and return it because they did not take note of the single change. They assumed it was the same questionnaire. So the actual numbers should be 200 questionnaires mailed, with responses totaling 124. Again, this is an example of skewing the numbers to suit their argument. That is a 62 percentage to the questionnaire... which is a remarkable response to a questionnaire of any type. If the post office would give actual number of responders to each questionnaire, then we believe the numbers would support our premise that the second questionnaire was largely ignored because of receipt of the first mailing!

The United States Postal Code , Title 39, Part 1, Chapter 1, § 101 (b) states: "The Postal Service shall provide a maximum degree of effective and regular postal service to rural areas, communities and small towns where post offices are not self-sustaining. No post office shall be closed for operating at a deficit. It is the specific intent of the Congress that effective postal service is insured to residents of both urban and rural communities." **It is clear that from the beginning of this "process" postal officials have completely disregarded not only the US Postal Code, but also their own rules designed to study the discontinuance of a post office.**

UNFAIR DISTRIBUTION OF POST OFFICE CLOSINGS:

Fully 50% of the post offices in Worth County, Iowa are on the closing list, placing an undue hardship on the county residents as a whole.

IN CONCLUSION:

The City of Hanlontown, Iowa citizens and governing body request that the Postal Regulatory Commission examine the procedures and premises used by the USPS to come to the conclusion that any of the above replacement services could possibly be considered the maximum degree of regular and effective service to the patrons of this office and reverse the decision to close the Hanlontown Post Office.

On behalf of the City Council of Hanlontown, and our community,

Sharon Rice
City Clerk
City of Hanlontown, Iowa

Rick Scholbrock
Mayor
City of Hanlontown

cc: Postmaster General Patrick Donahue
Government Relations Manager William J. Weagley
Senator Charles Grassley
Senator Tom Harkin
Representative Tom Latham
Iowa Governor Terry Branstad
Iowa Senator Amanda Ragan
Iowa House Majority Leader Linda Upmeyer
Iowa House Representative Henry Rayhons
Iowa Senator Merlin Bartz